

AMENDED IN ASSEMBLY JUNE 27, 2003

AMENDED IN ASSEMBLY JUNE 4, 2003

AMENDED IN SENATE MARCH 26, 2003

SENATE BILL

No. 315

Introduced by Committee on Transportation (Senators Murray (Chair), Figueroa, Florez, Karnette, Perata, Scott, Soto, and Torlakson)

February 19, 2003

An act to amend Section 5463 of the Business and Professions Code, to amend Sections 65088.1 and 65089 of the Government Code, to amend Section 20351 of the Public Contract Code, to amend Sections 99315.8, 120050.2, 120051, 120051.6, and 120054 of, to add Section 120051.1 to, and to add Chapter 6 (commencing with Section 125700) to Division 11.5 of, the Public Utilities Code, to amend Sections 10753 and 10753.7 of the Revenue and Taxation Code, to amend Sections 188.8 and 302 of the Streets and Highways Code, and to amend Sections 1800, 1810, 1810.7, 4456, 4466, 5068, 5201, 6700, 9101, 9107, 11204, 12814, 13370, 15250.7, 16000, 16021, 16370.5, 16431, 24609, ~~27400, and 40508~~ and 27400 of, and to add Section 11519 to, the Vehicle Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 315, as amended, Committee on Transportation. Transportation.

(1) Existing law requires a congestion management plan to be developed, adopted, and updated biennially for every county that includes an urbanized area. Existing law requires the congestion management plan to include every city and the county.

This bill would require a local jurisdiction that is a city and county to develop, adopt, and update biennially a congestion management plan ~~in consultation with the concurrence of~~ a specified municipal transportation agency.

(2) Existing law requires the North San Diego County Transit Development Board to award contracts for construction in excess of \$50,000 to the lowest responsible bidder after competitive bidding, except in an emergency.

This bill would make that requirement applicable to contracts in excess of \$10,000.

(3) Existing law creates the San Diego Metropolitan Transit Development Board and the North San Diego County Transit Development Board with various responsibilities to operate and construct transit systems in their service areas. Existing law authorizes the San Diego Metropolitan Transit Development Board to engage in various financial transactions, including the issuance of revenue bonds and the purchase of transit equipment with equipment trust certificates and other financing mechanisms.

This bill would enact similar provisions applicable to the North San Diego County Transit Development Board.

(4) Existing law provides for an appointed 15 member governing body for the San Diego Metropolitan Transit Development Board in San Diego County, one of whom shall be appointed by the San Diego County Board of Supervisors to represent one of the 2 supervisorial districts that has the greatest percentage of its area within the jurisdiction of the transit development board. Existing law provides that the board is reduced to 14 members if the person elected chairperson is also a board member.

This bill would instead provide that if the chairperson is elected from the membership of the board, the County of San Diego shall have an additional member appointed by the San Diego County Board of Supervisors and the board membership shall remain at 15 members. The bill would require that one of the 2 supervisorial district representatives come from a district that has the greatest percentage of its area within the incorporated area of San Diego County and the other come from a district that has the greatest percentage of its area within the unincorporated area of San Diego County under the jurisdiction of the transit development board.



(5) Existing law describes the area of the board by using city names and specified census tracts contained in the 1980 decennial census maps that are on file with the United States Department of Commerce.

This bill would delete the references to the census tracts and would instead include all of the unincorporated area of San Diego County except for that area included within the North San Diego County Transit Development Board.

(6) Existing law creates the North Coast Railroad Authority (NCRA) and provides that transportation funds previously allocated by the California Transportation Commission to the NCRA for certain projects under specified allocation resolutions may be used by NCRA for various related transportation projects.

This bill would also authorize these funds to be used for maintenance of the capital investments made on rail right-of-way owned by NCRA or rail line easements controlled by NCRA, subject to approval of the commission. The bill would authorize the commission to extend otherwise applicable deadlines relating to use of these funds by not more than 20 months under certain conditions. The bill would require NCRA to report to the Department of Transportation on the use of these funds, thereby imposing a state-mandated local program.

(7) The Vehicle License Fee (VLF) Law establishes, in lieu of any ad valorem property tax upon vehicles, an annual license fee for any vehicle subject to registration in this state in the amount of 2% of the market value of that vehicle, as specified. The VLF Law requires the Department of Motor Vehicles to determine the market value of a vehicle, as specified, upon the first sale of a new vehicle to a consumer and upon each sale of a used vehicle to a consumer for the purpose of computing the vehicle license fee. The VLF Law also provides that if a commercial vehicle, as defined, is modified or additions are made, as specified, at a cost of \$2,000 or more, the owner of that vehicle is required to report that modification or addition to the department for the purposes of making the specified computation.

This bill would delete obsolete cross-references contained in these provisions.

(8) Existing law requires the California Transportation Commission to program interregional and regional transportation capital improvement projects through the State Transportation Improvement Program process, consistent with estimated available funding. Existing law requires regional improvement projects nominated by regional agencies to be programmed by the commission pursuant to certain



formulas, known as the north-south split and county shares. Existing law authorizes the commission, with the consent of the Department of Transportation, to program projects in a region with a population of not more than 1,000,000 at a level higher or lower than a county share, in order to either build up a reserve for a larger project or advance a future share to the present, with the amount of the reserve or advance credited to or deducted from future programming, as the case may be.

This bill would extend the county share reservation or advance process to any county with a population of not more than 1,000,000.

(9) Existing law authorizes the California Transportation Commission to relinquish to the City of Los Angeles a specified portion of State Highway Route 2, upon terms and conditions the commission finds to be in the best interests of the state.

This bill would authorize the commission to relinquish to the City of Beverly Hills a specified portion of State Highway Route 2, upon those terms and conditions, and would require the City of Beverly Hills to maintain within its jurisdiction certain directional signs. The relinquishment would become effective immediately following the county recorder's recordation of the relinquishment resolution containing the commission's approval of the terms and conditions of the relinquishment. The portion of State Highway Route 2 relinquished as specified would cease to be a state highway on the effective date of the relinquishment.

(10) Existing law imposes weight fees on commercial vehicles, subject to certain exceptions, with those fees to be deposited in the State Highway Account and the Motor Vehicle Account.

This bill would make ~~technical~~, nonsubstantive changes in an existing exemption from weight fees for certain special transportation vehicles.

(11) Existing law requires an applicant for renewal of a traffic violator school operator's license to pass an examination on traffic laws, safe driving practices, operation of motor vehicles, teaching methods and techniques, traffic violator school statutes and regulations, and office procedures and recordkeeping.

This bill would authorize the Department of Motor Vehicles to accept evidence of continuing professional education, as defined, in lieu of the examination.

(12) Existing law prescribes certain restrictions on the issuance by the Department of Motor Vehicles of a copy, duplicate, or substitution



of a certificate of title or license plate and requires the registered owner to apply in person and present certain documents.

This bill would modify those restrictions by, among other things, revising the documentation requirements and exempting certain vehicles from those restrictions.

The bill would allow the department to issue one or more license plates to the registered owner or lessee and issue a certificate of title only to the legal owner, or if none, the registered owner.

(13) Existing law requires the rear license plate on a vehicle to be mounted not less than 12 inches nor more than 60 inches from the ground, and the front license plate to be mounted not more than 60 inches from the ground, except as specified.

This bill would authorize the rear license plate on a two-axle livestock trailer to be mounted 12 inches or more, but not more than 90 inches, from the ground.

(14) Under existing law, when an application is made to the Department of Motor Vehicles to register a vehicle reported as a total loss salvage vehicle or for dismantling, the department is required to inspect the vehicle, as specified, or to request that the Department of the California Highway Patrol inspect the vehicle, as specified. Existing law also requires a person submitting those vehicles for registration to have specified documents available.

This bill would prohibit a vehicle that has been reported as a total loss salvage vehicle or dismantled vehicle from being subsequently registered until the prescribed bill of sale, an appropriate application, official lamp and brake adjustment certificates, as specified, other required documents and fees, and specified pollution control information is submitted to the Department of Motor Vehicles. The bill would prohibit the Department of Motor Vehicles from registering a vehicle that has been reported as a total loss salvage vehicle or dismantled vehicle if the vehicle has been referred to the Department of the California Highway Patrol, or selected for inspection by that department, as specified, until the applicant for registration submits to the Department of Motor Vehicles a certification of that inspection.

Because a violation of this provision would be a crime under other provisions of existing law, the bill would impose a state-mandated local program by expanding the scope of that crime.

(15) *Existing law specifies certain grounds for the Department of Motor Vehicles to deny or revoke a certificate required to operate a schoolbus, a school pupil activity bus, or various other specialty*



vehicles. Existing law allows a person to reapply for a certificate no sooner than one year after a denial or revocation.

This bill would allow a person to reapply for a certificate no sooner than 45 days after denial or revocation in the case of failure to meet prescribed testing requirements.

(16) Existing law requires all drivers to have evidence of financial responsibility with them at all times, and defines “evidence of financial responsibility” for these purposes.

This bill would make technical, nonsubstantive changes to provisions defining financial responsibility.

~~(16)~~

(17) Existing law authorizes a vehicle to be equipped with white or amber reflectors upon the front of the vehicle that are mounted not lower than 15 inches nor higher than 60 inches.

This bill would authorize a schoolbus to be equipped with a set of 2 devices, with each device in the set consisting of an amber reflector integrated into the lens of an amber light that is otherwise permitted under the Vehicle Code, if the set is mounted with one device on the left side and one on the right side of the vehicle, and with each device at the same level.

~~(17)~~

(18) Existing law prohibits a person operating a motor vehicle or bicycle from wearing a headset or earplugs in both ears except under specified circumstances, including the wearing of personal hearing protectors in the form of custom earplugs or molds designed to attenuate injurious noise levels.

This bill would revise these provisions.

~~(18) Existing law imposes penalties for willful violation of a promise to appear in court for, and willful failure to pay a fine for, a violation of the Vehicle Code, or for a violation of an ordinance adopted under that code.~~

~~This bill would make technical, nonsubstantive changes to this provision.~~

(19) This bill would make various other technical, nonsubstantive changes in existing law relating to vehicles.

(20) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide



and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 5463 of the Business and Professions
2 Code is amended to read:

3 5463. The director may revoke any license or permit for the
4 failure to comply with this chapter and may remove and destroy
5 any advertising display placed or maintained in violation of this
6 chapter after 30 days' written notice posted on the structure or sign
7 and a copy forwarded by mail to the display owner or permitholder
8 at his or her last known address. *If there is no permit issued, a copy*
9 *of the notice shall be forwarded to the display owner. If the display*
10 *owner cannot be ascertained, the notice shall be mailed to any*
11 *business advertised on the sign or structure and the property owner*
12 *as indicated on the official county records.*

13 Notwithstanding any other provision of this chapter, the director
14 or any authorized employee may summarily and without notice
15 remove and destroy any advertising display placed in violation of
16 this chapter which is temporary in nature because of the materials
17 of which it is constructed or because of the nature of the copy
18 thereon.

19 For the purpose of removing or destroying any advertising
20 display placed in violation of this chapter, the director or the
21 director's authorized agent may enter upon private property.

22 SEC. 2. Section 65088.1 of the Government Code is amended
23 to read:

24 65088.1. As used in this chapter the following terms have the
25 following meanings:



1 (a) Unless the context requires otherwise, “regional agency”
2 means the agency responsible for preparation of the regional
3 transportation improvement program.

4 (b) Unless the context requires otherwise, “agency” means the
5 agency responsible for the preparation and adoption of the
6 congestion management program.

7 (c) “Commission” means the California Transportation
8 Commission.

9 (d) “Department” means the Department of Transportation.

10 (e) “Local jurisdiction” means a city, a county, or a city and
11 county.

12 (f) “Municipal transportation agency” means an agency that is
13 located in a local jurisdiction that is a city and county and that was
14 created by passage of Proposition E, approved by a majority of
15 qualified voters within the city and county who voted on the
16 measure on November 2, 1999.

17 (g) “Parking cash-out program” means an employer-funded
18 program under which an employer offers to provide a cash
19 allowance to an employee equivalent to the parking subsidy that
20 the employer would otherwise pay to provide the employee with
21 a parking space. “Parking subsidy” means the difference between
22 the out-of-pocket amount paid by an employer on a regular basis
23 in order to secure the availability of an employee parking space not
24 owned by the employer and the price, if any, charged to an
25 employee for use of that space.

26 A parking cash-out program may include a requirement that
27 employee participants certify that they will comply with
28 guidelines established by the employer designed to avoid
29 neighborhood parking problems, with a provision that employees
30 not complying with the guidelines will no longer be eligible for the
31 parking cash-out program.

32 (h) “Infill opportunity zone” means a specific area designated
33 by a city or county, pursuant to subdivision (c) of Section 65088.4,
34 zoned for new compact residential or mixed use development
35 within one-third mile of a site with an existing or future rail transit
36 station, a ferry terminal served by either a bus or rail transit service,
37 an intersection of at least two major bus routes, or within 300 feet
38 of a bus rapid transit corridor, in counties with a population over
39 400,000. The mixed use development zoning shall consist of three
40 or more land uses that facilitate significant human interaction in

close proximity, with residential use as the primary land use supported by other land uses such as office, hotel, health care, hospital, entertainment, restaurant, retail, and service uses. The transit service shall have maximum scheduled headways of 15 minutes for at least 5 hours per day. A qualifying future rail station shall have broken ground on construction of the station and programmed operational funds to provide maximum scheduled headways of 15 minutes for at least 5 hours per day.

(i) “Interregional travel” means any trips that originate outside the boundary of the agency. A “trip” means a one-direction vehicle movement. The origin of any trip is the starting point of that trip. A roundtrip consists of two individual trips.

(j) “Level of service standard” is a threshold that defines a deficiency on the congestion management program highway and roadway system which requires the preparation of a deficiency plan. It is the intent of the Legislature that the agency shall use all elements of the program to implement strategies and actions that avoid the creation of deficiencies and to improve multimodal mobility.

(k) “Multimodal” means the utilization of all available modes of travel that enhance the movement of people and goods, including, but not limited to, highway, transit, nonmotorized, and demand management strategies including, but not limited to, telecommuting. The availability and practicality of specific multimodal systems, projects, and strategies may vary by county and region in accordance with the size and complexity of different urbanized areas.

(l) “Performance measure” is an analytical planning tool that is used to quantitatively evaluate transportation improvements and to assist in determining effective implementation actions, considering all modes and strategies. Use of a performance measure as part of the program does not trigger the requirement for the preparation of deficiency plans.

(m) “Urbanized area” has the same meaning as is defined in the 1990 federal census for urbanized areas of more than 50,000 population.

(n) “Bus rapid transit corridor” means a bus service that includes at least four of the following attributes:

- (1) Coordination with land use planning.
- (2) Exclusive right-of-way.

- 1 (3) Improved passenger boarding facilities.
- 2 (4) Limited stops.
- 3 (5) Passenger boarding at the same height as the bus.
- 4 (6) Prepaid fares.
- 5 (7) Real-time passenger information.
- 6 (8) Traffic priority at intersections.
- 7 (9) Signal priority.
- 8 (10) Unique vehicles.

9 SEC. 3. Section 65089 of the Government Code is amended
10 to read:

11 65089. (a) A congestion management program shall be
12 developed, adopted, and updated biennially, consistent with the
13 schedule for adopting and updating the regional transportation
14 improvement program, for every county that includes an
15 urbanized area, and shall include every city and the county. The
16 program shall be adopted at a noticed public hearing of the agency.
17 The program shall be developed in consultation with, and with the
18 cooperation of, the transportation planning agency, regional
19 transportation providers, local governments, the department, and
20 the air pollution control district or the air quality management
21 district, either by the county transportation commission, or by
22 another public agency, as designated by resolutions adopted by the
23 county board of supervisors and the city councils of a majority of
24 the cities representing a majority of the population in the
25 incorporated area of the county. For a local jurisdiction that is both
26 a city and county, a congestion management plan shall be
27 developed, adopted, and updated biennially, consistent with the
28 provisions of this section and ~~in collaboration with~~ *with the*
29 *concurrence of* the municipal transportation agency.

30 (b) The program shall contain all of the following elements:

31 (1) (A) Traffic level of service standards established for a
32 system of highways and roadways designated by the agency. The
33 highway and roadway system shall include at a minimum all state
34 highways and principal arterials. No highway or roadway
35 designated as a part of the system shall be removed from the
36 system. All new state highways and principal arterials shall be
37 designated as part of the system, except when it is within an infill
38 opportunity zone. Level of service (LOS) shall be measured by
39 Circular 212, by the most recent version of the Highway Capacity
40 Manual, or by a uniform methodology adopted by the agency that

1 is consistent with the Highway Capacity Manual. The
2 determination as to whether an alternative method is consistent
3 with the Highway Capacity Manual shall be made by the regional
4 agency, except that the department instead shall make this
5 determination if either (i) the regional agency is also the agency,
6 as those terms are defined in Section 65088.1, or (ii) the
7 department is responsible for preparing the regional transportation
8 improvement plan for the county.

9 (B) In no case shall the LOS standards established be below the
10 level of service E or the current level, whichever is farthest from
11 level of service A except when the area is in an infill opportunity
12 zone. When the level of service on a segment or at an intersection
13 fails to attain the established level of service standard outside an
14 infill opportunity zone, a deficiency plan shall be adopted pursuant
15 to Section 65089.4.

16 (2) A performance element that includes performance
17 measures to evaluate current and future multimodal system
18 performance for the movement of people and goods. At a
19 minimum, these performance measures shall incorporate highway
20 and roadway system performance, and measures established for
21 the frequency and routing of public transit, and for the
22 coordination of transit service provided by separate operators.
23 These performance measures shall support mobility, air quality,
24 land use, and economic objectives, and shall be used in the
25 development of the capital improvement program required
26 pursuant to paragraph (5), deficiency plans required pursuant to
27 Section 65089.4, and the land use analysis program required
28 pursuant to paragraph (4).

29 (3) A travel demand element that promotes alternative
30 transportation methods, including, but not limited to, carpools,
31 vanpools, transit, bicycles, and park-and-ride lots; improvements
32 in the balance between jobs and housing; and other strategies,
33 including, but not limited to, flexible work hours, telecommuting,
34 and parking management programs. The agency shall consider
35 parking cash-out programs during the development and update of
36 the travel demand element.

37 (4) A program to analyze the impacts of land use decisions
38 made by local jurisdictions on regional transportation systems,
39 including an estimate of the costs associated with mitigating those
40 impacts. This program shall measure, to the extent possible, the

1 impact to the transportation system using the performance
2 measures described in paragraph (2). In no case shall the program
3 include an estimate of the costs of mitigating the impacts of
4 interregional travel. The program shall provide credit for local
5 public and private contributions to improvements to regional
6 transportation systems. However, in the case of toll road facilities,
7 credit shall only be allowed for local public and private
8 contributions which are unreimbursed from toll revenues or other
9 state or federal sources. The agency shall calculate the amount of
10 the credit to be provided. The program defined under this section
11 may require implementation through the requirements and
12 analysis of the California Environmental Quality Act, in order to
13 avoid duplication.

14 (5) A seven-year capital improvement program, developed
15 using the performance measures described in paragraph (2) to
16 determine effective projects that maintain or improve the
17 performance of the multimodal system for the movement of
18 people and goods, to mitigate regional transportation impacts
19 identified pursuant to paragraph (4). The program shall conform
20 to transportation-related vehicle emission air quality mitigation
21 measures, and include any project that will increase the capacity
22 of the multimodal system. It is the intent of the Legislature that,
23 when roadway projects are identified in the program,
24 consideration be given for maintaining bicycle access and safety
25 at a level comparable to that which existed prior to the
26 improvement or alteration. The capital improvement program
27 may also include safety, maintenance, and rehabilitation projects
28 that do not enhance the capacity of the system but are necessary to
29 preserve the investment in existing facilities.

30 (c) The agency, in consultation with the regional agency, cities,
31 and the county, shall develop a uniform data base on traffic impacts
32 for use in a countywide transportation computer model and shall
33 approve transportation computer models of specific areas within
34 the county that will be used by local jurisdictions to determine the
35 quantitative impacts of development on the circulation system that
36 are based on the countywide model and standardized modeling
37 assumptions and conventions. The computer models shall be
38 consistent with the modeling methodology adopted by the regional
39 planning agency. The data bases used in the models shall be
40 consistent with the data bases used by the regional planning



1 agency. Where the regional agency has jurisdiction over two or
2 more counties, the data bases used by the agency shall be
3 consistent with the data bases used by the regional agency.

4 (d) (1) The city or county in which a commercial development
5 will implement a parking cash-out program that is included in a
6 congestion management program pursuant to subdivision (b), or
7 in a deficiency plan pursuant to Section 65089.4, shall grant to that
8 development an appropriate reduction in the parking requirements
9 otherwise in effect for new commercial development.

10 (2) At the request of an existing commercial development that
11 has implemented a parking cash-out program, the city or county
12 shall grant an appropriate reduction in the parking requirements
13 otherwise applicable based on the demonstrated reduced need for
14 parking, and the space no longer needed for parking purposes may
15 be used for other appropriate purposes.

16 (e) Pursuant to the federal Intermodal Surface Transportation
17 Efficiency Act of 1991 and regulations adopted pursuant to the act,
18 the department shall submit a request to the Federal Highway
19 Administration Division Administrator to accept the congestion
20 management program in lieu of development of a new congestion
21 management system otherwise required by the act.

22 SEC. 4. Section 20351 of the Public Contract Code is
23 amended to read:

24 20351. Contracts for the construction in excess of ten
25 thousand dollars (\$10,000) shall be awarded to the lowest
26 responsible bidder after competitive bidding, except in an
27 emergency declared by the vote of two-thirds of the membership
28 of the board.

29 SEC. 5. Section 99315.8 of the Public Utilities Code is
30 amended to read:

31 99315.8. All funds from the Public Transportation Account
32 and the State Highway Account, in the State Transportation Fund,
33 previously allocated by the commission for specific track repair
34 and rolling stock acquisitions through resolutions number
35 MFP-95-05, MFP-95-10, MPFP-95-01, MFA-96-01, and
36 MBFA-98-01 shall also be available for expenditure on any form
37 of track improvement project or track rehabilitation project, or for
38 maintenance of the capital investments made on rail right-of-way
39 owned by the North Coast Railroad Authority (NCRA), or on rail
40 line easements controlled by NCRA, or for rolling stock

1 acquisition projects nominated by NCRA, as approved by the
2 commission. Projects nominated by NCRA, for which funds in the
3 State Highway Account in the State Transportation Fund are to be
4 used, are also required to be eligible under Article XIX of the
5 California Constitution. The encumbering and expending of funds
6 for a project is not subject to an additional allocation action or
7 approval action, or both actions, by the commission. NCRA shall
8 report to the department on the full and timely use of the funds once
9 a project is approved by the commission. Time extension requests
10 by NCRA, if needed, shall be considered by the commission for
11 allocation extensions, for project award extensions, and
12 expenditure extensions. If NCRA, as the responsible agency, finds
13 that an unforeseen and extraordinary circumstance beyond its
14 control has occurred that justifies an extension, the commission
15 may extend the deadline as specified in subdivision (a) of Section
16 14529.8 of the Government Code. The deadline extension may not
17 exceed the period of delay directly attributed to the unforeseen and
18 extraordinary circumstance and may not be more than 20 months.
19 The commission may not grant more than one extension to a
20 project for each type of extension request.

21 SEC. 6. Section 120050.2 of the Public Utilities Code is
22 amended to read:

23 120050.2. The board consists of 15 members selected as
24 follows:

25 (a) One member of the County of San Diego Board of
26 Supervisors, appointed by the board of supervisors.

27 (b) Four members of the City Council of the City of San Diego,
28 one of whom may be the mayor, appointed by the city council.

29 (c) One member of each city council appointed individually by
30 the City Councils of the Cities of Chula Vista, Coronado, El Cajon,
31 Imperial Beach, La Mesa, Lemon Grove, National City, Poway,
32 and Santee.

33 (d) One person, a resident of San Diego County, elected by a
34 two-thirds vote of the board, a quorum being present, who shall
35 serve as chairperson of the board. The chairperson shall serve for
36 a term of four years, except that he or she is subject to removal at
37 any time by a two-thirds vote of the board, a quorum being
38 present. If the person elected chairperson is also a member of the
39 board, the appointing power may not fill the vacancy created by
40 the election of that member as chairperson as long as that member



1 remains chairperson and, if removed as chairperson, that person
2 shall resume the position on the board he or she vacated upon
3 election as chairperson. Section 120102.5 does not apply to any
4 vote taken under this subdivision. Further, in the event that the
5 chairperson is elected from the membership of the board, the
6 County of San Diego shall then have two members appointed by
7 the board of supervisors and the board membership shall remain
8 at 15. In the event the subsequently elected chairperson is not a
9 member, the membership on the board of the second appointee of
10 the County of San Diego shall be suspended and the board
11 membership shall remain at 15.

12 SEC. 7. Section 120051 of the Public Utilities Code is
13 amended to read:

14 120051. The member of the board of supervisors appointed
15 pursuant to subdivision (a) of Section 120050.2 shall represent one
16 of the two supervisorial districts with the greatest percentage of its
17 area within the incorporated area of the County of San Diego
18 within the area under the jurisdiction of the transit development
19 board as defined in Section 120054.

20 SEC. 8. Section 120051.1 is added to the Public Utilities
21 Code, to read:

22 120051.1. The member of the board of supervisors appointed
23 pursuant to subdivision (d) of Section 120050.2 shall represent the
24 supervisorial district with the greatest percentage of its area within
25 the unincorporated area of the County of San Diego under the
26 jurisdiction of the transit development board as defined in Section
27 120054.

28 SEC. 9. Section 120051.6 of the Public Utilities Code is
29 amended to read:

30 120051.6. The alternate members of the board shall be
31 appointed as follows:

32 (a) The County of San Diego Board of Supervisors shall
33 appoint any other county supervisor who qualifies for appointment
34 pursuant to Section 120051 to serve as an alternate member of the
35 transit development board.

36 (b) The City Council of the City of San Diego shall appoint a
37 member of the city council not already appointed pursuant to
38 subdivision (b) of Section 120050.2 to serve as an alternate
39 member of the transit development board for each of the members
40 appointed by the city council to the transit development board.

(c) The city councils specified in subdivision (c) of Section 120050.2 shall each individually appoint a member of their respective city councils not already appointed pursuant to that subdivision to serve as an alternate member of the transit development board.

(d) If the board elects a person other than a member of the board to serve as chairperson, the board may, upon a two-thirds vote, a quorum being present, appoint a San Diego County resident as an alternate member of the board for that person elected chairperson. If the board elects a person who is a member of the board to serve as chairperson, the County of San Diego shall appoint an alternate supervisor for the supervisor appointed pursuant to subdivision (d) of Section 120050.2.

SEC. 10. Section 120054 of the Public Utilities Code is amended to read:

120054. The area of the board shall consist of all of the following:

(a) The Cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, and Santee.

(b) All of the unincorporated area of the County of San Diego, except as otherwise included within the North San Diego County Transit Development Board in Section 125052.

(c) All the unincorporated area of the County of San Diego surrounded by the cities specified in subdivisions (a) and (b).

SEC. 11. Chapter 6 (commencing with Section 125700) is added to Division 11.5 of the Public Utilities Code, to read:

CHAPTER 6. BONDS AND OTHER EVIDENCES OF INDEBTEDNESS

125700. The board may issue bonds, payable from revenue of any facility or enterprise to be acquired or constructed by the board, in the manner provided by the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code), and all of the provisions of that law are applicable to the board.

125701. The board is a local agency within the meaning of the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code). The term “enterprise,” as used in the Revenue Bond Law of 1941,

1 for all purposes of this chapter, includes the transit system or any
2 or all transit facilities and all additions, extensions, and
3 improvements thereto authorized to be acquired, constructed, or
4 completed by the board.

5 The board may issue revenue bonds under the Revenue Bond
6 Law of 1941 for any one or more transit facilities authorized to be
7 acquired, constructed, or completed by the board or for transit
8 equipment described in Section 125702 authorized to be acquired
9 by the board or, in the alternative, the board may issue revenue
10 bonds under the Revenue Bond Law of 1941 for the acquisition,
11 construction, and completion of any one of those transit facilities
12 or for transit equipment described in Section 125702 authorized to
13 be acquired by the board.

14 Nothing in this chapter prohibits the board from availing itself
15 of, or making use of, any procedure provided in this chapter for the
16 issuance of bonds of any type or character for any of the transit
17 facilities authorized hereunder, and all proceedings may be carried
18 on simultaneously or, in the alternative, as the board may
19 determine.

20 125702. The board may purchase transit equipment such as
21 cars, trolley buses, motorbuses, light rail vehicles, or rolling
22 equipment, and may execute agreements, leases, and equipment
23 trust certificates in the forms customarily used by private
24 corporations engaged in the transit business appropriate to effect
25 the purchase and leasing of transit equipment, and may dispose of
26 the equipment trust certificates upon the terms and conditions that
27 the board may deem appropriate.

28 Payment for transit equipment, or rentals therefor, may be made
29 in installments, and the deferred installments may be evidenced by
30 equipment trust certificates that are or will be legally available to
31 the board. Title to the equipment may not vest in the board until
32 the equipment trust certificates are paid.

33 125703. The agreement to purchase or lease transit equipment
34 may direct the vendor or lessor to sell and assign or lease the transit
35 equipment to a bank or trust company duly authorized to transact
36 business in the state as trustee for the benefit and security of the
37 equipment trust certificates, and may direct the trustee to deliver
38 the transit equipment to one or more designated officers of the
39 board and may authorize the board to simultaneously therewith



1 execute and deliver an installment purchase agreement or a lease
2 of that equipment to the board.

3 125704. The agreements and leases shall be duly
4 acknowledged before a person authorized by law to take
5 acknowledgments of deeds and in the form required for
6 acknowledgment of deeds.

7 The agreements, leases, and equipment trust certificates shall be
8 authorized by resolution of the board and shall contain covenants,
9 conditions, and provisions that may be deemed necessary or
10 appropriate to insure the payment of the equipment trust
11 certificates from any legally available source or sources of funds
12 as may be specified in the certificates.

13 125705. The covenants, conditions, and provisions of the
14 agreements, leases, and equipment trust certificates may not
15 conflict with any trust agreement or similar document securing the
16 payment of bonds, notes, or certificates of the board.

17 125706. An executed copy of each agreement and lease shall
18 be filed in the office of the Secretary of State, for a fee of one dollar
19 (\$1) for each copy filed.

20 The filing constitutes notice to any subsequent judgment
21 creditor or any subsequent purchaser.

22 125707. The Improvement Act of 1911 (Division 7
23 (commencing with Section 5000) of the Streets and Highways
24 Code), the Improvement Bond Act of 1915 (Division 10
25 (commencing with Section 8500) of the Streets and Highways
26 Code), and the Municipal Improvement Act of 1913 (Division 12
27 (commencing with Section 10000) of the Streets and Highways
28 Code), are applicable to the board.

29 125708. Chapter 1 (commencing with Section 99000) of Part
30 11 of Division 10 is applicable to the board.

31 125709. The board shall be considered a “local agency,” as
32 defined in subdivision (h) of Section 53317 of the Government
33 Code, and the provisions of Chapter 2.5 (commencing with
34 Section 53311) of Part 1 of Division 2 of Title 5 of the Government
35 Code are applicable to the board.

36 125710. The board shall be considered to be a “local agency”
37 as defined in subdivision (f) of Section 6585 of the Government
38 Code, and Article 4 (commencing with Section 6584) of Chapter
39 5 of Division 7 of Title 1 of the Government Code is applicable to
40 the board.

1 125711. The board may borrow money in accordance with
2 Article 7 (commencing with Section 53820), Article 7.6
3 (commencing with Section 53580), or Article 7.7 (commencing
4 with Section 53859) of Chapter 4 of Part 1 of Division 2 of Title
5 5 of the Government Code.

6 125712. The board may borrow money in anticipation of the
7 sale of bonds that have been authorized to be issued, but that have
8 not been sold and delivered, and may issue negotiable bond
9 anticipation notes therefor, and may renew the bond anticipation
10 notes from time to time, but the maximum maturity of any bond
11 application notes, including the renewals thereof, may not exceed
12 five years from the date of delivery of the original bond
13 anticipation notes.

14 The bond anticipation notes may be paid from any money of the
15 board available therefor and not otherwise pledged. If not
16 previously otherwise paid, the bond anticipation notes shall be
17 paid from the proceeds of the next sale of the bonds of the board
18 in anticipation of which they were issued. The bond anticipation
19 notes may not be issued in any amount in excess of the aggregate
20 amount of bonds that the board has not been authorized to issue,
21 less the amount of any bonds of the authorized issue previously
22 sold, and also less the amount of other bond anticipation notes
23 therefor issued and then outstanding.

24 The bond anticipation notes shall be issued and sold in the same
25 manner as the bonds. The bond anticipation notes and the
26 resolution or resolutions authorizing them may contain any
27 provisions, conditions, or limitations that a resolution of the board
28 authorizing the issuance of bonds may contain.

29 125713. The board may issue negotiable promissory notes
30 pursuant to this section to acquire funds for any board purposes.
31 The maturity of the promissory notes may not be later than five
32 years from the date thereof. Those notes shall bear interest at a rate
33 not to exceed 12 percent per year. Those notes shall be payable
34 from any source of revenue available to the board.

35 125714. The board may bring an action to determine the
36 validity of any of its bonds, equipment trust certificates, warrants,
37 notes, or other evidences of indebtedness pursuant to Chapter 9
38 (commencing with Section 860) of Title 10 of Part 2 of the Code
39 of Civil Procedure.

1 125715. All bonds and other evidences of indebtedness issued
2 by the board under this chapter, and the interest thereon, are free
3 and exempt from all taxation within the state, except for transfer,
4 franchise, inheritance, and estate taxes.

5 125716. Notwithstanding any other provisions of this
6 division or of any other law, the provisions of all ordinances,
7 resolutions, and other proceedings in the issuance by the board of
8 any bonds, bonds with a pledge of revenues, bonds for any and all
9 evidences of indebtedness or liability constitute a contract between
10 the board and the holders of the bonds, equipment trust certificates,
11 notes, or evidences of indebtedness or liability, and the provisions
12 thereof are enforceable against the board or any or all of its
13 successors or assigns, by mandamus or any other appropriate suit,
14 action, or proceeding in law or in equity in any court of competent
15 jurisdiction.

16 Nothing in this division or in any other law relieves the board
17 or the territory included within it from any bonded or other debt
18 or liability contracted by the board. Upon dissolution of the board
19 or upon withdrawal of territory therefrom, that territory formerly
20 included within the board, or withdrawn therefrom, shall continue
21 to be liable for the payment of all bonded and other indebtedness
22 or liabilities outstanding at the time of the dissolution or
23 withdrawal as if the board had not been so dissolved or the territory
24 withdrawn therefrom, and it shall be the duty of the successors or
25 assigns to provide for the payment of the bonded and other
26 indebtedness and liabilities.

27 Except as may be otherwise provided in the proceedings for the
28 authorization, issuance, and sale of any revenue bonds, bonds
29 secured by a pledge of revenues, or bonds for improvement
30 districts secured by a pledge of revenues, revenues of any kind or
31 nature derived from any revenue-producing improvements,
32 works, facilities, or property owned, operated, or controlled by the
33 board shall be pledged, charged, assigned, and have a lien thereon
34 for the payment of the bonds as long as they are outstanding,
35 regardless of any change in ownership, operation, or control of the
36 revenue-producing improvements, works, facilities, or property
37 and it shall, in any later event or events, be the duty of the
38 successors or assigns to continue to maintain and operate the
39 revenue-producing improvements, works, facilities, or property as
40 long as bonds are outstanding.



SEC. 12. Section 10753 of the Revenue and Taxation Code is amended to read:

10753. (a) Upon the first sale of a new vehicle to a consumer and upon each sale of a used vehicle to a consumer, the department shall determine the market value of the vehicle on the basis of the cost price to the purchaser as evidenced by a certificate of cost, but not including California sales or use tax or any local sales, transactions, use, or other local tax. "Cost price" includes the value of any modifications made by the seller.

(b) Notwithstanding subdivision (a), the department shall not redetermine the market value of used vehicles, or modify the vehicle license fee classification of used vehicles determined pursuant to Section 10753.2, when the seller is the parent, grandparent, child, grandchild, or spouse of the purchaser, and the seller is not engaged in the business of selling vehicles subject to registration under the Vehicle Code, or when a lessor, as defined in Section 372 of the Vehicle Code, transfers title and registration of a vehicle to the lessee at the expiration or termination of a lease.

(c) (1) In the event that any commercial vehicle is modified or additions are made to the chassis or body at a cost of two thousand dollars (\$2,000) or more, but not including any change of engine of the same type or any cost of repairs to a commercial vehicle, the owner of the commercial vehicle shall report any modification or addition to the department and the department shall classify or reclassify the commercial vehicle in its proper class as provided in Section 10753.2, taking into consideration the increase in the market value of the commercial vehicle due to those modifications or additions, and any reclassification resulting in an increase in market value shall be based on the cost to the consumer of those modifications or additions. In the event any vehicle is modified or altered resulting in a decrease in the market value thereof of two hundred dollars (\$200) or more as reported to and determined by the department, the department shall classify or reclassify the vehicle in its proper class as provided in Section 10753.2.

(2) Paragraph (1) does not apply under any of the following conditions:

(A) When the cost of any modification or addition to the chassis or body of a commercial vehicle is less than two thousand dollars (\$2,000).

1 (B) When the cost is for modifications or additions necessary
2 to incorporate a system approved by the State Air Resources Board
3 as meeting the emission standards set forth in subdivisions (a) and
4 (b) of former Section 39102 and former Section 39102.5 of the
5 Health and Safety Code as they read on December 31, 1975.

6 (C) When the cost is for modifications that are necessary to
7 enable a disabled person to use or operate the vehicle.

8 (3) For purposes of this subdivision, “commercial vehicle”
9 means a “commercial vehicle,” as defined in Section 260 of the
10 Vehicle Code, that is regulated by the Department of the California
11 Highway Patrol pursuant to Sections 2813 and 34500 of the
12 Vehicle Code.

13 (d) This section also applies to a system as specified in
14 subdivision (c) that is approved by the State Air Resources Board
15 as meeting the emission standards specified in subdivisions (a) and
16 (b) of former Section 39102 and former Section 39102.5 of the
17 Health and Safety Code as they read on December 31, 1975, for
18 vehicles 6,001 pounds or less, manufacturer’s gross vehicle
19 weight, controlled to meet exhaust emission standards when sold
20 new, when that system is used in any vehicle over 6,001 pounds or
21 any vehicle 6,001 pounds or less not controlled to meet exhaust
22 emission standards.

23 (e) The temporary attachment of any camper, as defined in
24 Section 243 of the Vehicle Code, to a vehicle is not a modification
25 or addition for the purposes of subdivision (c).

26 (f) The attachment to a vehicle of radiotelephone equipment
27 furnished by a telephone corporation, as defined in Section 234 of
28 the Public Utilities Code, is not a modification or addition for the
29 purpose of subdivision (c), when that equipment is not owned by
30 the owner of the vehicle.

31 (g) For purposes of this section, “vehicle” does not include
32 trailers or semitrailers.

33 SEC. 13. Section 10753.7 of the Revenue and Taxation Code
34 is amended to read:

35 10753.7. (a) Upon the sale or transfer of ownership of a used
36 vehicle currently registered in this state, if any license fee due
37 thereon has already been paid, no adjustment of the current year
38 license fee shall be made.

39 (b) Any adjustment of vehicle license fees, based upon a
40 redetermination of market value pursuant to subdivision (a) of

1 Section 10753 and modification of vehicle license fee
2 classification pursuant to Section 10753.2, shall occur upon the
3 expiration of current registration and shall be reflected in the fees
4 due for the first renewal of registration following the sale or
5 transfer of ownership of that used vehicle.

6 SEC. 14. Section 188.8 of the Streets and Highways Code is
7 amended to read:

8 188.8. (a) From the funds programmed pursuant to Section
9 188 for regional improvement projects, the commission shall
10 approve programs and program amendments, so that funding is
11 distributed to each county of County Group No. 1 and in each
12 county of County Group No. 2 during the county share periods
13 commencing July 1, 1997, and ending June 30, 2004, and each
14 period of four years thereafter. The amount shall be computed as
15 follows:

16 (1) The commission shall compute, for the county share
17 periods all of the money to be expended for regional improvement
18 projects in County Groups Nos. 1 and 2, respectively, as provided
19 in Section 188.

20 (2) From the amount computed for County Group No. 1 in
21 paragraph (1) for the county share periods the commission shall
22 determine the amount of programming for each county in the
23 group based on a formula that is based 75 percent on the population
24 of the county to the total population of County Group No. 1 and
25 25 percent on state highway miles in the county to the total state
26 highway miles in County Group No. 1.

27 (3) From the amount computed for County Group No. 2 in
28 paragraph (1) for the county share periods the commission shall
29 determine the amount of programming for each county in the
30 group based on a formula that is based 75 percent on the population
31 of the county to the total population of County Group No. 2 and
32 25 percent on state highway miles in the county to the total state
33 highway miles in County Group No. 2.

34 (b) Notwithstanding subdivision (a), that portion of the county
35 population and state highway mileage in El Dorado and Placer
36 Counties that is included within the jurisdiction of the Tahoe
37 Regional Planning Agency shall be counted separately toward the
38 area under the jurisdiction of the Tahoe Regional Transportation
39 Agency and may not be included in El Dorado and Placer
40 Counties. The commission shall approve programs, program

1 amendments, and fund reservations for the area under the
2 jurisdiction of the Tahoe Regional Transportation Agency that
3 shall be calculated using the formula described in paragraph (2) of
4 subdivision (a).

5 (c) A transportation planning agency designated pursuant to
6 Section 29532 of the Government Code, or a county transportation
7 commission created by Division 12 (commencing with Section
8 130000) of the Public Utilities Code, may adopt a resolution to
9 pool its county share programming with any county or counties
10 adopting similar resolutions to consolidate its county shares for
11 two consecutive county share periods into a single share covering
12 both periods. A multicounty transportation planning agency with
13 a population of less than three million may also adopt a resolution
14 to pool the share of any county or counties within its region. The
15 resolution shall provide for pooling the county share programming
16 in any of the pooling counties for the new single share period and
17 shall be submitted to the commission not later than May 1
18 immediately preceding the commencement of the county share
19 period.

20 (d) For the purposes of this section, funds programmed shall
21 include the following costs pursuant to subdivision (b) of Section
22 14529 of the Government Code:

23 (1) The amounts programmed or budgeted for both
24 components of project development in the original programmed
25 year.

26 (2) The amount programmed for right-of-way in the year
27 programmed in the most recent state transportation improvement
28 program. If the final estimate is greater than 120 percent or less
29 than 80 percent of the amount originally programmed, the amount
30 shall be adjusted for final expenditure estimates at the time of
31 right-of-way certification.

32 (3) The engineer's final estimate of project costs, including
33 construction engineering, presented to the commission for
34 approval pursuant to Section 14533 of the Government Code in the
35 year programmed in the most recent state transportation
36 improvement program. If the construction contract award amount
37 is less than 80 percent of the engineer's final estimate, excluding
38 construction engineering, the department shall notify the
39 commission and the commission may adjust its project allocation
40 accordingly.

1 (4) Project costs shown in the program, as amended, where
2 project allocations have not yet been approved by the commission,
3 escalated to the date of scheduled project delivery.

4 (e) Project costs may not be changed to reflect any of the
5 following:

6 (1) Differences that are within 20 percent of the amount
7 programmed for actual project development cost.

8 (2) Actual right-of-way purchase costs.

9 (3) Construction contract award amounts, except when those
10 amounts are less than 80 percent of the engineer's final estimate,
11 excluding construction engineering, and the commission has
12 adjusted the project construction allocation.

13 (4) Changes in construction expenditures, except for
14 supplemental project allocations made by the commission.

15 (f) For the purposes of this section, the population in each
16 county is that determined by the last preceding federal census, or
17 a subsequent census validated by the Population Research Unit of
18 the Department of Finance, at the beginning of each county share
19 period.

20 (g) For the purposes of this section, "state highway miles"
21 means the miles of state highways open to vehicular traffic at the
22 beginning of each county share period.

23 (h) It is the intent of the Legislature that there is to be flexibility
24 in programming under this section and Section 188 so that, while
25 ensuring that each county will receive an equitable share of state
26 transportation improvement program funding, the types of
27 projects selected and the programs from which they are funded
28 may vary from county to county.

29 (i) Commencing with the four-year period commencing on
30 July 1, 2004, individual county share shortfalls and surpluses at the
31 end of each four-year period, if any, shall be carried forward and
32 credited or debited to the following four years.

33 (j) The commission, with the consent of the department, may
34 consider programming projects in the state transportation
35 improvement program in a county with a population of not more
36 than 1,000,000 at a level higher or lower than the county share,
37 when the regional agency either asks to reserve part or all of the
38 county's share until a future programming year, to build up a larger
39 share for a higher cost project, or asks to advance an amount of the
40 share, in an amount not to exceed 200 percent of the county's

1 current share, for a larger project, to be deducted from shares for
2 future programming years. After consulting with the department,
3 the commission may adjust the level of programming in the
4 regional program in the affected region against the level of
5 interregional programming in the improvement program to
6 accomplish the reservation or advancement, for the current state
7 transportation improvement program. The commission shall keep
8 track of any resulting shortfalls or surpluses in county shares.

9 (k) Notwithstanding subdivision (a), in a region defined by
10 Section 66502 of the Government Code, the transportation
11 planning agency may adopt a resolution to pool the county share
12 of any county or counties within the region, if each county receives
13 no less than 85 percent and not more than 115 percent of its county
14 share for a single county share period and 100 percent of its county
15 share over two consecutive county share periods. The resolution
16 shall be submitted to the commission not later than May 1,
17 immediately preceding the commencement of the county share
18 period.

19 (l) Federal funds used for federal demonstration projects that
20 use federal obligational authority otherwise available for other
21 projects shall be subtracted from the county share of the county
22 where the project is located.

23 ~~SEC. 15. Section 302 of the Streets and Highways Code is~~
24 ~~amended to read:~~

25 ~~302. (a) Route 2 is from:~~

26 ~~(1) The point where Santa Monica Boulevard crosses the city~~
27 ~~limits of the City of Santa Monica at Centinela Avenue to Route~~
28 ~~101 in Los Angeles.~~

29 ~~(2) Route 101 in Los Angeles to Route 210 in La Canada~~
30 ~~Flintridge via Glendale.~~

31 ~~(3) Route 210 in La Canada Flintridge to Route 138 via~~
32 ~~Wrightwood.~~

33 ~~(b) Upon a determination by the commission that it is in the best~~
34 ~~interests of the state to do so, the commission may, upon terms and~~
35 ~~conditions approved by it, relinquish that portion or portions of~~
36 ~~Route 2 located within the City of West Hollywood or the City of~~
37 ~~Santa Monica, or both, to that city or cities, upon agreement by the~~
38 ~~city or cities to accept the relinquishment or relinquishments. A~~
39 ~~relinquishment shall be effective on the date specified in the~~
40 ~~commission's approved terms and conditions with the respective~~

1 city. Thereafter, Route 2 shall not include the portion or portions
2 so relinquished, nor shall the portion or portions be considered for
3 future adoption in accordance with Section 81. For portions of
4 Route 2 that are so relinquished, the City of West Hollywood or the
5 City of Santa Monica, or both, shall maintain within their
6 respective jurisdictions signs directing motorists to the
7 continuation of State Highway Route 2.

8 (c) (1) Notwithstanding subdivision (a), the commission may
9 relinquish to the City of Los Angeles the portion of Route 2 that
10 is located between Route 405 and Moreno Drive in that city, upon
11 terms and conditions the commission finds to be in the best
12 interests of the state.

13 (2) A relinquishment under this subdivision shall become
14 effective immediately following the county recorder's recordation
15 of the relinquishment resolution containing the commission's
16 approval of the terms and conditions of the relinquishment.

17 (3) On and after the effective date of the relinquishment, both
18 of the following shall occur:

19 (A) The portion of Route 2 relinquished under this subdivision
20 shall cease to be a state highway.

21 (B) The portion of Route 2 relinquished under this subdivision
22 shall be ineligible for future adoption under Section 81.

23 (4) For those portions of Route 2 that are relinquished, the City
24 of Los Angeles shall maintain within its jurisdiction signs
25 directing motorists to the continuation of Route 2.

26 (d) (1) Notwithstanding subdivision (a), the commission may
27 relinquish to the City of Beverly Hills the portion of Route 2 that
28 is located between city's west city limit at Moreno Drive and the
29 city's east city limit at Doheny Drive, upon terms and conditions
30 the commission finds to be in the best interests of the state.

31 (2) A relinquishment under this subdivision shall become
32 effective immediately following the county recorder's recordation
33 of the relinquishment resolution containing the commission's
34 approval of the terms and conditions of the relinquishment.

35 (3) On and after the effective date of the relinquishment, both
36 of the following shall occur:

37 (A) The portion of Route 2 relinquished under this subdivision
38 shall cease to be a state highway.

39 (B) The portion of Route 2 relinquished under this subdivision
40 shall be ineligible for future adoption under Section 81.

~~(4) For the portions of Route 2 that are relinquished, the city of Beverly Hills shall maintain within its jurisdiction signs directing motorists to the continuation of Route 2.~~

SEC. 15. Section 302 of the Streets and Highways Code is amended to read:

302. (a) Route 2 is from:

(1) The point where Santa Monica Boulevard crosses the city limits of ~~the City of~~ Santa Monica at Centinela Avenue to Route 101 in Los Angeles, *except the relinquished portions described in subdivision (b).*

(2) Route 101 in Los Angeles to Route 210 in La Canada Flintridge ~~Canada-Flintridge~~ via Glendale.

(3) Route 210 in La Canada Flintridge ~~Canada-Flintridge~~ to Route 138 via Wrightwood.

~~(b) Upon a determination by the commission that it is in the best interests of the state to do so, the commission may, upon terms and conditions approved by it, relinquish that portion or portions of Route 2 located within the City of West Hollywood or the City of Santa Monica, or both, to that city or cities, upon agreement by the city or cities to accept the relinquishment or relinquishments. A relinquishment shall be effective on the date specified in the commission's approved terms and conditions with the respective city. Thereafter, Route 2 shall not include the portion or portions so relinquished, nor shall the portion or portions be considered for future adoption in accordance with Section 81. For portions of Route 2 that are so relinquished, the City of West Hollywood or the City of Santa Monica, or both, shall maintain within their respective jurisdictions signs directing motorists to the continuation of State Highway Route 2.~~

~~(c) (1) Notwithstanding subdivision (a), the commission may relinquish to the City of Los Angeles the portion of Route 2 that is located between Route 405 and Moreno Drive in that city, upon terms and conditions the commission finds to be in the best interests of the state.~~

~~(2) A relinquishment under this subdivision shall become effective immediately following the county recorder's recordation of the relinquishment resolution containing the commission's approval of the terms and conditions of the relinquishment.~~

~~(3) On and after the effective date of the relinquishment, both of the following shall occur:~~

~~(A) The portion of Route 2 relinquished under this subdivision shall cease to be a state highway.~~

~~(B) The portion of Route 2 relinquished under this subdivision shall be ineligible for future adoption under Section 81.~~

~~(4) For those portions of Route 2 that are relinquished, the City of Los Angeles shall maintain within its jurisdiction signs directing motorists to the continuation of Route 2.~~

(b) Notwithstanding subdivision (a), the relinquished former portions of Route 2 within the city limits of West Hollywood and Santa Monica, and between Route 405 and Moreno Drive in Los Angeles, are not a state highway and are not eligible for adoption under Section 81. Those cities shall maintain signs within their respective jurisdictions directing motorists to the continuation of Route 2.

(c) (1) Notwithstanding subdivision (a), the commission may relinquish to the City of Beverly Hills the portion of Route 2 that is located between the city's west city limit at Moreno Drive and the city's east city limit at Doheny Drive, upon terms and conditions the commission finds to be in the best interests of the state.

(2) A relinquishment under this subdivision shall become effective immediately following the county recorder's recordation of the relinquishment resolution containing the commission's approval of the terms and conditions of the relinquishment.

(3) On and after the effective date of the relinquishment, both of the following shall occur:

(A) The portion of Route 2 relinquished under this subdivision shall cease to be a state highway.

(B) The portion of Route 2 relinquished under this subdivision shall be ineligible for future adoption under Section 81.

(4) For the portions of Route 2 that are relinquished, the City of Beverly Hills shall maintain within its jurisdiction signs directing motorists to the continuation of Route 2.

SEC. 16. Section 1800 of the Vehicle Code is amended to read:

1800. (a) The department shall file each application received for the registration of a vehicle and shall keep a record of each as follows:

(1) Under a distinctive registration number assigned to the vehicle.

1 (2) Alphabetically, under the name of the owner.

2 (3) Under the motor or a permanent identifying number of the
3 vehicle as may be determined by the department.

4 (4) In the discretion of the department, in any other manner it
5 may deem desirable.

6 (b) The department shall file every application for a license to
7 operate a motor vehicle received by it and maintain all of the
8 following:

9 (1) A suitable index containing, in alphabetical order, all
10 applications denied. On the applications shall be noted the reasons
11 for the denial.

12 (2) A suitable index containing, in alphabetical order, all
13 applications granted.

14 (3) A suitable index containing, in alphabetical order, the name
15 of every licensee whose license has been suspended or revoked by
16 the department or by a court and after each name notes the reasons
17 for the action and the period of revocation or suspension.

18 SEC. 17. Section 1810 of the Vehicle Code is amended to
19 read:

20 1810. (a) Except as provided in Sections 1806.5, 1808.2,
21 1808.4, 1808.5, 1808.6, 1808.7, 1808.8, and paragraph (2) of
22 subdivision (a) of Section 12800.5, the department may permit
23 inspection of, or sell, or both, information from its records
24 concerning the registration of any vehicle or information from the
25 files of drivers' licenses at a charge sufficient to pay at least the
26 actual cost to the department for providing the inspection or sale
27 of the information, including, but not limited to, costs incurred by
28 the department in carrying out subdivision (b), with the charge for
29 the information to be determined by the director. This section does
30 not apply to statistical information of the type previously compiled
31 and distributed by the department.

32 (b) (1) With respect to the inspection or sale of information
33 concerning the registration of any vehicle or of information from
34 the files of drivers' licenses, the department shall establish, by
35 regulation, administrative procedures under which any person
36 making a request for that information shall be required to identify
37 himself or herself and state the reason for making the request. The
38 procedures shall provide for the verification of the name and
39 address of the person making a request for the information, and the
40 department may require the person to produce that information as

1 it determines is necessary to ensure that the name and address of
2 the person is the true name and address. The procedures may
3 provide for a 10-day delay in the release of the requested
4 information. The procedures shall also provide for notification to
5 the person to whom the information primarily relates, as to what
6 information was provided and to whom it was provided. The
7 department shall establish, by regulation, a reasonable period of
8 time for which a record of all the foregoing shall be maintained.

9 (2) The procedures required by this subdivision do not apply to
10 any governmental entity, any person who has applied for and has
11 been issued a requester code by the department, or any court of
12 competent jurisdiction.

13 (c) With respect to the inspection or sale of information from
14 the files of drivers' licenses, the department may require both the
15 full name of the driver and either the driver's license number or
16 date of birth as identifying points of the record, except that the
17 department may disclose a record without two identifying points
18 if the department determines that the public interest in disclosure
19 outweighs the public interest in personal privacy.

20 (d) With respect to the inspection or sale of information from
21 the files of drivers' licenses, certificates of ownership, and
22 registration cards, the department may not allow, for a fee or
23 otherwise, copying by the public.

24 SEC. 18. Section 1810.7 of the Vehicle Code is amended to
25 read:

26 1810.7. (a) Except as provided in Sections 1806.5, 1808.2,
27 1808.4, 1808.5, 1808.6, 1808.7, and 1808.21, the department may
28 authorize, by special permit, any person to access the department's
29 electronic database, as provided for in this section, for the purpose
30 of obtaining information for commercial use.

31 (b) The department may limit the number of permits issued
32 under this section, and may restrict, or establish priority for, access
33 to its files as the department deems necessary to avoid disruption
34 of its normal operations, or as the department deems is in the best
35 interest of the public.

36 (c) The department may establish minimum volume levels,
37 audit and security standards, and technological requirements, or
38 any terms and conditions it deems necessary for the permits.

39 (d) As a condition of issuing a permit under this section, the
40 department shall require each direct-access permittee to file a

1 performance bond or other financial security acceptable to the
2 department, in an amount the department deems appropriate.

3 (e) The department shall charge fees for direct-access service
4 permits, and shall charge fees pursuant to Section 1810 for any
5 information copied from the files.

6 (f) The department shall ensure that information provided
7 under this section includes only the public portions of records.

8 (g) On and after January 1, 1992, the director shall report every
9 three years to the Legislature on the implementation of this
10 section. The report shall include the number and location of
11 direct-access permittees, the volume and nature of direct-access
12 inquiries, procedures the department has taken to ensure the
13 security of its files, and the costs and revenues associated with the
14 project.

15 (h) The department shall establish procedures to ensure
16 confidentiality of any records of residence addresses and mailing
17 addresses as required by Sections 1808.21, 1808.22, 1808.45,
18 1808.46, and 1810.2.

19 SEC. 19. Section 4456 of the Vehicle Code is amended to
20 read:

21 4456. (a) When selling a vehicle, dealers and lessor-retailers
22 shall use numbered report-of-sale forms issued by the department.
23 The forms shall be used in accordance with the following terms
24 and conditions:

25 (1) The dealer or lessor-retailer shall attach for display a copy
26 of the report of sale on the vehicle before the vehicle is delivered
27 to the purchaser.

28 (2) The dealer or lessor-retailer shall submit to the department
29 an application accompanied by all fees and penalties due for
30 registration or transfer of registration of the vehicle within 30 days
31 from the date of sale, as provided in subdivision (c) of Section
32 9553, if the vehicle is a used vehicle, and 20 days if the vehicle is
33 a new vehicle. Penalties due for noncompliance with this
34 paragraph shall be paid by the dealer or lessor-retailer. The dealer
35 or lessor-retailer may not charge the purchaser for the penalties.

36 (3) As part of an application to transfer registration of a used
37 vehicle, the dealer or lessor-retailer shall include all of the
38 following information on the certificate of title, application for a
39 duplicate certificate of title, or form prescribed by the department:

40 (A) Date of sale and report of sale number.

1 (B) Purchaser's name and address.

2 (C) Dealer's name, address, number, and signature or signature
3 of authorized agent.

4 (D) Salesperson number.

5 (4) If the department returns an application and the application
6 was first received by the department within 30 days of the date of
7 sale of the vehicle if the vehicle is a used vehicle, and 20 days if
8 the vehicle is a new vehicle, the dealer or lessor-retailer shall
9 submit a corrected application to the department within 50 days
10 from the date of sale of the vehicle if the vehicle is a used vehicle,
11 and 40 days if the vehicle is a new vehicle, or within 30 days from
12 the date that the application is first returned by the department if
13 the vehicle is a used vehicle, and 20 days if the vehicle is a new
14 vehicle, whichever is later.

15 (5) If the department returns an application and the application
16 was first received by the department more than 30 days from the
17 date of sale of the vehicle if the vehicle is a used vehicle, and 20
18 days if the vehicle is a new vehicle, the dealer or lessor-retailer
19 shall submit a corrected application to the department within 50
20 days from the date of sale of the vehicle if the vehicle is a used
21 vehicle, and 40 days if the vehicle is a new vehicle.

22 (6) An application first received by the department more than
23 50 days from the date of sale of the vehicle if the vehicle is a used
24 vehicle, and 40 days if the vehicle is a new vehicle, is subject to
25 the penalties specified in subdivisions (a) and (b) of Section
26 4456.1.

27 (7) The dealer or lessor-retailer shall report the sale under
28 Section 5901.

29 (b) (1) A transfer that takes place through a dealer conducting
30 a wholesale vehicle auction shall be reported to the department by
31 that dealer on a single form approved by the department. The
32 completed form shall contain, at a minimum, all of the following
33 information:

34 (A) The name and address of the seller.

35 (B) The seller's dealer number, if applicable.

36 (C) The date of delivery to the dealer conducting the auction.

37 (D) The actual mileage of the vehicle as indicated by the
38 vehicle's odometer at the time of delivery to the dealer conducting
39 the auction.

1 (E) The name, address, and occupational license number of the
2 dealer conducting the auction.

3 (F) The name, address, and occupational license number of the
4 buyer.

5 (G) The signature of the dealer conducting the auction.

6 (2) Submission of the completed form specified in paragraph
7 (1) to the department shall fully satisfy the requirements of
8 subdivision (a) and subdivision (a) of Section 5901 with respect
9 to the dealer selling at auction and the dealer conducting the
10 auction.

11 (3) The single form required by this subdivision does not
12 relieve a dealer of any obligation or responsibility that is required
13 by any other provision of law.

14 (c) A vehicle displaying a copy of the report of sale may be
15 operated without license plates or registration card until either of
16 the following, whichever occurs first:

17 (1) The license plates and registration card are received by the
18 purchaser.

19 (2) A six-month period, commencing with the date of sale of
20 the vehicle, has expired.

21 SEC. 20. Section 4466 of the Vehicle Code is amended to
22 read:

23 4466. (a) The department may not issue a duplicate or
24 substitute certificate of title or license plate if, after a search of the
25 records of the department, the registered owner's address, as
26 submitted on the application, is different from that which appears
27 in the records of the department, unless the registered owner
28 applies in person and presents all of the following:

29 (1) Proof of ownership of the vehicle that is acceptable to the
30 department. Proof of ownership may be the certificate of title,
31 registration certificate, or registration renewal notice, or a
32 facsimile of any of those documents, if the facsimile matches the
33 vehicle record of the department.

34 (2) A driver's license or identification card containing a picture
35 of the licensee or cardholder issued to the registered owner by the
36 department pursuant to Chapter 1 (commencing with Section
37 12500) of Division 6. The department shall conduct a search of its
38 records to verify the authenticity of any document submitted under
39 this paragraph.



1 (A) If the registered owner is a resident of another state or
 2 country, the registered owner shall present a driver's license or
 3 identification card issued by that state or country. In addition, the
 4 registered owner shall provide photo documentation in the form of
 5 a valid passport, military identification card, identification card
 6 issued by a state or United States government agency, student
 7 identification card issued by a college or university, or
 8 identification card issued by a California-based employer. If a
 9 resident of another state is unable to present the required photo
 10 identification, the department shall verify the authenticity of the
 11 driver's license or identification card by contacting the state that
 12 issued the driver's license or identification card.

13 (B) If the registered owner is not an individual, the person
 14 submitting the application shall submit the photo identification
 15 required under this paragraph, as well as documentation
 16 acceptable to the department that demonstrates that the person is
 17 employed by *an officer of* the registered owner.

18 (3) If the application is for the purpose of replacing a license
 19 plate that was stolen, a copy of a police report identifying the plate
 20 as stolen.

21 (4) If the application is for the purpose of replacing a certificate
 22 of title or license plate that was mutilated or destroyed, the
 23 remnants of the mutilated or destroyed document or plate.

24 (5) If the department has a record of a prior issuance of a
 25 duplicate or substitute certificate of title or license plate for the
 26 vehicle within the past 90 days, a copy of a report from the
 27 Department of the California Highway Patrol verifying the vehicle
 28 identification number of the vehicle.

29 (b) Subdivision (a) does not apply if any of the following apply:

30 (1) The registered owner's name, address, and driver's license
 31 or identification card number submitted on the application match
 32 the name, address, and driver's license or identification card
 33 number contained in the department's records.

34 (2) An application for a duplicate or substitute certificate of
 35 title or license plate is submitted by or through a legal owner, if the
 36 legal owner is not the same as the registered owner *or as the lessee*
 37 *under Section 4453.5*, a dealer, a dismantler, an insurer, an agent
 38 of the insurer, or a salvage pool.

39 (3) The vehicle is registered under the International
 40 Registration Plan pursuant to Section 8052 or under the Permanent

1 Fleet Registration program pursuant to Article 9.5 (commencing
2 with Section 5301) of Chapter 1.

3 (4) The vehicle is an implement of husbandry, as defined in
4 Section 36000, or a tow dolly, or has been issued an identification
5 plate under Section 5014 or 5014.1.

6 (c) The department shall issue one or more license plates only
7 to the registered owner or lessee. The department shall issue the
8 certificate of title only to the legal owner, or if none, then to the
9 registered owner, as shown on the department's records.

10 SEC. 21. Section 5068 of the Vehicle Code is amended to
11 read:

12 5068. (a) (1) Any veterans' organization may apply either
13 individually or with other veterans' organizations to meet the
14 application threshold set forth in Section 5060 for special interest
15 plates. An organization that meets the minimum application
16 requirement by applying with other organizations under this
17 subdivision shall be issued a regular license plate bearing a
18 distinctive design or decal approved under subdivision (a) of
19 Section 5060.

20 (2) Special interest plates issued under this section may be
21 issued in a combination of numbers or letters, or both, requested
22 by the owner or lessee of the vehicle, to be displayed in addition
23 to the design or decal authorized under paragraph (1), subject to
24 Section 5105.

25 (b) In addition to the regular fees for an original registration, a
26 renewal of registration, or a transfer of registration, the following
27 fees shall be paid by individuals applying for a veterans'
28 organization special interest license plate or decal:

29 (1) Thirty dollars (\$30) for the initial issuance of the plates and
30 decals. The plates shall be permanent and may not be required to
31 be replaced.

32 (2) Thirty dollars (\$30) for each renewal of registration that
33 includes the continued display of the plates or decals.

34 (3) Fifteen dollars (\$15) for transfer of the plates to another
35 vehicle.

36 (4) Thirty-five dollars (\$35) for replacement plates, if they
37 become damaged or unserviceable.

38 (5) Ten dollars (\$10) for replacement decals, if they become
39 damaged or unserviceable.



(6) Forty dollars (\$40) for the personalization of the plates, as authorized under paragraph (2) of subdivision (a).

(c) This section shall become operative on July 1, 2002.

SEC. 22. Section 5201 of the Vehicle Code is amended to read:

5201. License plates shall at all times be securely fastened to the vehicle for which they are issued so as to prevent the plates from swinging, and shall be mounted in a position so as to be clearly visible, and shall be maintained in a condition so as to be clearly legible. The rear license plate shall be mounted not less than 12 inches nor more than 60 inches from the ground, and the front license plate shall be mounted not more than 60 inches from the ground, except as follows:

(a) The rear license plate on a tow truck may be mounted on the left-hand side of the mast assembly at the rear of the cab of the vehicle, not less than 12 inches nor more than 90 inches from the ground.

(b) The rear license plate on a tank vehicle hauling hazardous waste, as defined in Section 25117 of the Health and Safety Code, or asphalt material may be mounted not less than 12 inches nor more than 90 inches from the ground.

(c) The rear license plate on a truck tractor may be mounted at the rear of the cab of the vehicle, not less than 12 inches nor more than 90 inches from the ground.

(d) The rear license plate of a vehicle designed by the manufacturer for the collection and transportation of garbage, rubbish, or refuse that is used regularly for the collection and transportation of that material by any person or governmental entity employed to collect, transport, and dispose of garbage, rubbish, or refuse may be mounted not less than 12 inches nor more than 90 inches from the ground.

(e) The rear license plate on a two-axle livestock trailer may be mounted 12 inches or more, but not more than 90 inches, from the ground.

(f) No covering may be used on license plates except as follows:

(1) The installation of a cover over a lawfully parked vehicle to protect it from the weather and the elements does not constitute a violation of this subdivision. Any peace officer or other regularly salaried employee of a public agency designated to enforce laws,

1 including local ordinances, relating to the parking of vehicles may
2 temporarily remove so much of the cover as is necessary to inspect
3 any license plate, tab, or indicia of registration on a vehicle.

4 (2) The installation of a license plate security cover is not a
5 violation of this subdivision if the device does not obstruct or
6 impair the recognition of the license plate information, including,
7 but not limited to, the issuing state, license plate number, and
8 registration tabs, and the cover is limited to the area directly over
9 the top of the registration tabs. No portion of a license plate
10 security cover shall rest over the license plate number.

11 (g) No casing, shield, frame, border, or other device that
12 obstructs or impairs the reading or recognition of a license plate by
13 a remote emission sensing device, as specified in Sections 44081
14 and 44081.6 of the Health and Safety Code, shall be installed on,
15 or affixed to, a vehicle.

16 SEC. 23. Section 6700 of the Vehicle Code is amended to
17 read:

18 6700. (a) Except as provided in Section 6700.2, the owner of
19 any vehicle of a type otherwise subject to registration under this
20 code, other than a commercial vehicle registered in a foreign
21 jurisdiction, may operate the vehicle in this state until gainful
22 employment is accepted in this state or until residency is
23 established in this state, whichever occurs first, if the vehicle
24 displays valid license plates and has a valid registration issued to
25 the owner, and the owner was a resident of that state at the time of
26 issuance. Application to register the vehicle shall be made within
27 20 days after gainful employment is accepted in this state or
28 residency is established in this state.

29 (b) A nonresident owner of a vehicle, otherwise exempt from
30 registration pursuant to this section or Section 6700.2, may operate
31 or permit operation of the vehicle in this state without registering
32 the vehicle in this state if the vehicle is registered in the place of
33 residence of the owner and displays upon it valid license plates
34 issued by that place. This exemption does not apply if the
35 nonresident owner rents, leases, lends, or otherwise furnishes the
36 vehicle to a California resident for regular use on the highways of
37 this state, as defined in subdivision (b) of Section 4000.4.

38 (c) Any resident who operates upon a highway of this state a
39 vehicle owned by a nonresident who furnished the vehicle to the
40 resident operator for his or her regular use within this state, as

defined in subdivision (b) of Section 4000.4, shall cause the vehicle to be registered in California within 20 days after its first operation within this state by the resident.

SEC. 24. Section 9101 of the Vehicle Code is amended to read:

9101. No fees specified in this code, except fees not exempted under Section 9103, need be paid for any vehicle operated by the state, or by any county, city, district, or political subdivision of the state, or the United States, as lessee under a lease, lease-sale, or rental-purchase agreement that grants possession of the vehicle to the lessee for a period of 30 consecutive days or more.

SEC. 25. Section 9107 of the Vehicle Code is amended to read:

9107. The weight fees for commercial vehicles specified in Sections 9400 and 9400.1 do not apply to any of the following:

(a) A vehicle operated by a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, that is subject to the jurisdiction of the Public Utilities Commission, if all of the following conditions are met:

(1) The vehicle is operated exclusively on any line or lines having a one-way route mileage not exceeding 15 miles, and each of those lines is operated in either of the following areas:

(A) In urban or suburban areas or between cities in close proximity.

(B) Between nonadjacent urban or suburban areas or cities, the area between which is substantially residential, commercial, or industrial as distinguished from rural.

(2) The principal business of the passenger stage corporation is the operation of vehicles on a route or routes as defined in paragraph (1).

(b) A vehicle operated exclusively on any line or lines within the limits of a single city by a person engaged as a common carrier of passengers between fixed termini or over a regular route, 98 percent of whose operations, as measured by total route mileage operated, are exclusively within the limits of a single city, and who by reason thereof is not a passenger stage corporation subject to the jurisdiction of the Public Utilities Commission.

(c) Vanpool vehicles.

(d) A vehicle purchased with federal funds under the authority of paragraph (2) of subsection (a) of Section 5310 of Title 49 of

1 the United States Code or Chapter 35 (commencing with Section
2 3001) of Title 42 of the United States Code for the purpose of
3 providing specialized transportation services to senior citizens and
4 handicapped persons by public and private nonprofit operators of
5 specialized transportation service agencies.

6 (e) A vehicle operated solely for the purpose of providing
7 specialized transportation services to senior citizens and persons
8 with disabilities, by a nonprofit, public benefit consolidated
9 transportation service agency designated under Section 15975 of
10 the Government Code.

11 SEC. 26. Section 11204 of the Vehicle Code is amended to
12 read:

13 11204. (a) The department shall issue a license certificate to
14 each traffic violator school owner and each traffic violator school
15 operator licensed pursuant to this chapter. The term of the license
16 shall be for a period of one year from the date of issue unless
17 canceled, suspended, or revoked by the department. The license
18 shall be renewed annually. The department shall require
19 compliance with Section 11202 for renewal of the license of a
20 traffic violator school owner. The department shall require
21 compliance with Section 11202.5 for renewal of the license of a
22 traffic violator school operator.

23 (b) (1) In lieu of the examination required by Section 11202.5
24 for renewal of the license of a traffic violator school operator, the
25 department may accept submission of evidence by the licensee of
26 continuing professional education.

27 (2) "Professional education," as used in paragraph (1), means
28 the satisfactory completion of courses acceptable to the
29 department related to traffic safety, teaching techniques, or the
30 teaching of driver instruction, or the participation in professional
31 seminars approved by the department.

32 (c) Whenever in its judgment the public interest so requires, the
33 department may issue a probationary license subject to special
34 conditions to be observed by the licensee in the conduct of the
35 traffic violator school. The conditions to be attached to the license
36 shall be any that may, in the judgment of the department, be in the
37 public interest and suitable to the qualifications of the applicant as
38 disclosed by the application and investigation by the department
39 of the information contained therein. The conditions may not
40 appear on the license certificate.



(d) Upon notification of the death of a traffic violator school licensee, the department may issue a temporary license to the executor or administrator of the estate of a deceased holder of a validly outstanding license to conduct a traffic violator school, or if no executor or administrator has been appointed and until a certified copy of an order making an appointment is filed with the department, a temporary license may be issued to the surviving spouse or other heir entitled to conduct the business of the deceased. The temporary license shall permit the holder to conduct the traffic violator school for a period of one year from and after the date of the original licensee's death, and necessary one-year extensions may be granted to permit disposal of the business and qualification for a license of a purchaser of the business or the surviving spouse or heir. The department may restrict or condition a temporary license and attach to the exercise of the privilege thereunder any terms and conditions that in the department's judgment are required for the protection of the public.

SEC. 27. Section 11519 is added to the Vehicle Code, to read:

11519. (a) A vehicle that has been reported as a total loss salvage vehicle or dismantled vehicle may not be subsequently registered until there is submitted to the department all of the following:

- (1) The prescribed bill of sale.
- (2) An appropriate application.
- (3) Official lamp and brake adjustment certificates issued by an official lamp and brake adjusting station licensed by the Director of Consumer Affairs, except that a fleet owner of motor trucks of three or more axles that are more than 6,000 pounds unladen weight, and a fleet owner of truck tractors, may instead submit an official lamp and brake certification for his or her rebuilt vehicle if the fleet owner operates an inspection and maintenance station licensed by the commissioner under subdivision (b) of Section 2525.
- (4) With respect to a motor vehicle subject to Part 5 (commencing with Section 43000) of Division 26 of the Health and Safety Code, a valid certificate of compliance from a licensed motor vehicle pollution control device installation and inspection station indicating that the vehicle is properly equipped with a motor vehicle pollution control device that is in proper operating

1 condition and is in compliance with Part 5 (commencing with
2 Section 43000) of Division 26 of the Health and Safety Code.

3 (5) Any other documents or fees required under law.

4 (b) The department may not register a vehicle that has been
5 referred to the Department of the California Highway Patrol under
6 subdivision (b) of Section 5505 or that has been selected for
7 inspection by that department under subdivision (c) of that section,
8 until the applicant for registration submits to the department a
9 certification of inspection issued by the Department of the
10 California Highway Patrol and all of the documents required under
11 subdivision (a).

12 SEC. 28. Section 12814 of the Vehicle Code, as amended by
13 Section 10 of Chapter 985 of the Statutes of 2000, is amended to
14 read:

15 12814. (a) Application for renewal of a license shall be made
16 at an office of the department by the person to whom the license
17 was issued. The department, in its discretion, may require an
18 examination of the applicant as upon an original application, or an
19 examination deemed by the department to be appropriate
20 considering the licensee's record of convictions and accidents, or
21 an examination deemed by the department to be appropriate in
22 relation to evidence of a condition that may affect the ability of the
23 applicant to safely operate a motor vehicle. The age of a licensee,
24 by itself, may not constitute evidence of a condition requiring an
25 examination of the driving ability. If the department finds any
26 evidence of a condition requiring an examination, the department
27 shall disclose the evidence to the applicant or licensee. If the
28 person is absent from the state at the time the license expires, the
29 director may extend the license for a period of one year from the
30 expiration date of the license.

31 (b) Renewal of a driver's license shall be under terms and
32 conditions prescribed by the department.

33 (c) The department may adopt and administer regulations it
34 deems necessary for the public safety in the implementation of a
35 program of selective testing of applicants, and, with reference to
36 this section, the department may waive tests for purposes of
37 evaluation of selective testing procedures.

38 (d) This section shall remain in effect only until January 1,
39 2011, and as of that date is repealed, unless a later enacted statute,
40 that is enacted before January 1, 2011, deletes or extends that date.

SEC. 29. Section 12814 of the Vehicle Code, as added by Section 11 of Chapter 985 of the Statutes of 2000, is amended to read:

12814. (a) Application for renewal of a license shall be made at an office of the department by the person to whom the license was issued. The department may in its discretion require an examination of the applicant as upon an original application, or an examination deemed by the department to be appropriate considering the licensee's record of convictions and accidents, or an examination deemed by the department to be appropriate in relation to evidence of a condition which may affect the ability of the applicant to safely operate a motor vehicle. The age of a licensee, by itself, may not constitute evidence of a condition requiring an examination of the driving ability. If the department finds any evidence, the department shall disclose the evidence to the applicant or licensee. If the person is absent from the state at the time the license expires, the director may extend the license for a period of one year from the expiration date of the license.

(b) Renewal of a driver's license shall be under terms and conditions prescribed by the department.

(c) The department may adopt and administer those regulations as shall be deemed necessary for the public safety in the implementation of a program of selective testing of applicants, and, with reference to this section, the department may waive tests for purposes of evaluation of selective testing procedures.

(d) This section shall become operative on January 1, 2011.

SEC. 30. *Section 13370 of the Vehicle Code is amended to read:*

13370. (a) The department shall deny or revoke a schoolbus, school pupil activity bus, general public paratransit vehicle, youth bus driver certificate, or a certificate for a vehicle used for the transportation of developmentally disabled persons if any of the following causes apply to the applicant or certificate holder:

(1) Has been convicted of any sex offense as defined in Section 44010 of the Education Code.

(2) Has been convicted, within the two years preceding the application date, of any offense specified in Section 11361.5 of the Health and Safety Code.

(3) Has failed to meet prescribed ~~testing or~~ training requirements for certificate issuance.

1 (4) *Has failed to meet prescribed testing requirements for*
2 *certificate issuance.*

3 (b) The department may deny, suspend, or revoke a schoolbus,
4 school pupil activity bus, general public paratransit vehicle, or
5 youth bus driver certificate, or a certificate for a vehicle used for
6 the transportation of developmentally disabled persons if any of
7 the following causes apply to the applicant or certificate holder:

8 (1) Has been convicted of any crime specified in Section 44424
9 of the Education Code within the seven years preceding the
10 application date. This paragraph does not apply if denial is
11 mandatory.

12 (2) Has committed any act involving moral turpitude.

13 (3) Has been convicted of any offense, not specified in this
14 section and other than a sex offense, that is punishable as a felony,
15 within the seven years preceding the application date.

16 (4) Has been dismissed as a driver for a cause relating to pupil
17 transportation safety.

18 (5) Has been convicted, within the seven years preceding the
19 application date, of any offense relating to the use, sale,
20 possession, or transportation of narcotics, habit-forming drugs, or
21 dangerous drugs, except as provided in paragraph (3) of
22 subdivision (a).

23 (c) (1) Reapplication following denial or revocation under
24 *paragraph (1), (2), or (3) of subdivision (a) or (b) may be made*
25 *after a period of not less than one year from the effective date of*
26 *denial or revocation.*

27 (2) *Reapplication following denial or revocation under*
28 *paragraph (4) of subdivision (a) may be made after a period of not*
29 *less than 45 days from the date of the applicant's third testing*
30 *failure.*

31 (3) An applicant or holder of a certificate may reapply for a
32 certificate whenever a felony or misdemeanor conviction is
33 reversed or dismissed. A termination of probation and dismissal of
34 charges pursuant to Section 1203.4 of the Penal Code or a
35 dismissal of charges pursuant to Section 1203.4a of the Penal Code
36 is not a dismissal for purposes of this section.

37 SEC. 31. Section 15250.7 of the Vehicle Code is amended to
38 read:

1 15250.7. Upon application for issuance of a duplicate driver's
2 license under subdivision (b) of Section 15250.6, there shall be
3 paid to the department a fee of twenty-seven dollars (\$27).

4 ~~SEC. 31.~~

5 *SEC. 32.* Section 16000 of the Vehicle Code is amended to
6 read:

7 16000. (a) The driver of a motor vehicle who is in any
8 manner involved in an accident originating from the operation of
9 the motor vehicle on a street or highway, or is involved in a
10 reportable off-highway accident, as defined in Section 16000.1,
11 that has resulted in damage to the property of any one person in
12 excess of seven hundred fifty dollars (\$750), or in bodily injury,
13 or in the death of any person shall report the accident, within 10
14 days after the accident, either personally or through an insurance
15 agent, broker, or legal representative, on a form approved by the
16 department, to the office of the department at Sacramento, subject
17 to this chapter. The driver shall identify on the form, by name and
18 current residence address, if available, any person involved in the
19 accident complaining of bodily injury.

20 (b) A report is not required under subdivision (a) if the motor
21 vehicle involved in the accident was owned or leased by, or under
22 the direction of, the United States, this state, another state, or a
23 local agency.

24 (c) If none of the parties involved in an accident has reported
25 the accident to the department under this section within one year
26 following the date of the accident, the department is not required
27 to file a report on the accident and the driver's license suspension
28 requirements of Section 16004 or 16070 do not apply.

29 ~~SEC. 32.~~

30 *SEC. 33.* Section 16021 of the Vehicle Code is amended to
31 read:

32 16021. Financial responsibility of the driver or owner is
33 established if the driver or owner of the vehicle involved in an
34 accident described in Section 16000 is:

35 (a) A self-insurer under the provisions of this division.

36 (b) An insured or obligee under a form of insurance or bond
37 that complies with the requirements of this division and that covers
38 the driver for the vehicle involved in the accident.

39 (c) The United States of America, this state, any municipality
40 or subdivision thereof, or the lawful agent thereof.

1 (d) A depositor in compliance with subdivision (a) of Section
2 16054.2.

3 (e) An obligee under a policy issued by a charitable risk pool
4 that complies with subdivision (b) of Section 16054.2.

5 (f) In compliance with the requirements authorized by the
6 department by any other manner which effectuates the purposes of
7 this chapter.

8 ~~SEC. 33.~~

9 *SEC. 34.* Section 16370.5 of the Vehicle Code is amended to
10 read:

11 16370.5. The department shall suspend the privilege of any
12 person to operate a motor vehicle as specified in Section 116.880
13 of the Code of Civil Procedure. Except as provided in this section,
14 an action brought under Section 116.880 of the Code of Civil
15 Procedure is not governed by Chapter 2 (commencing with
16 Section 16250) of Division 7.

17 ~~SEC. 34.~~

18 *SEC. 35.* Section 16431 of the Vehicle Code is amended to
19 read:

20 16431. (a) Proof of financial responsibility may be given by
21 the written certificate or certificates of any insurance carrier duly
22 authorized to do business within the state, that it has issued to or
23 for the benefit of the person named therein a motor vehicle liability
24 policy as defined in Section 16450, an automobile liability policy
25 as defined in Section 16054, or any other liability policy issued for
26 vehicles with less than four wheels that meets the requirements of
27 Section 16056, which, at the date of the certificate or certificates,
28 is in full force and effect. Except as provided in subdivision (b),
29 the certificate or certificates issued under any liability policy set
30 forth in this section shall be accepted by the department and satisfy
31 the requirements of proof of financial responsibility of this
32 chapter. Nothing in this chapter requires that an insurance carrier
33 certify that there is coverage broader than that provided by the
34 actual policy issued by the carrier.

35 (b) The department shall require that a person whose driver's
36 license has been revoked, suspended, or restricted under Section
37 13350, 13351, 13352, 13353, 13353.2, 13353.3, 13353.6,
38 13353.7, or 16370, provide, as proof of financial responsibility, a
39 certificate or certificates that covers all motor vehicles registered
40 to the person before reinstatement of his or her driver's license.



1 (c) Subdivision (b) does not apply to vehicles in storage if the
2 current license plates and registration cards are surrendered to the
3 department in Sacramento.

4 (d) (1) A resident of another state may provide proof of
5 financial responsibility when required to do so under this code
6 from a company authorized to do business in that person's state of
7 residence, if that proof is satisfactory to the department, covers the
8 operation of a vehicle in this state, and meets the minimum
9 coverage limit requirements specified in Section 16056.

10 (2) If the person specified in paragraph (1) becomes a resident
11 of this state during the period that the person is required to
12 maintain proof of financial responsibility with the department, the
13 department may not issue or return a driver's license to that person
14 until the person files a written certificate or certificates, as
15 authorized under subdivision (a), that meets the minimum
16 coverage limit requirements specified in Section 16056 and covers
17 the period during which the person is required to maintain proof
18 of financial responsibility.

19 ~~SEC. 35.~~

20 *SEC. 36.* Section 24609 of the Vehicle Code is amended to
21 read:

22 24609. (a) A vehicle may be equipped with white or amber
23 reflectors that are mounted on the front of the vehicle at a height
24 of 15 inches or more, but not more than 60 inches from the ground.

25 (b) A schoolbus may be equipped with a set of two devices,
26 with each device in the set consisting of an amber reflector
27 integrated into the lens of an amber light that is otherwise
28 permitted under this code, if the set is mounted with one device on
29 the left side and one on the right side of the vehicle, and with each
30 device at the same level.

31 ~~SEC. 36.~~

32 *SEC. 37.* Section 27400 of the Vehicle Code is amended to
33 read:

34 27400. A person operating a motor vehicle or bicycle may not
35 wear a headset covering, or earplugs in, both ears. This prohibition
36 does not apply to any of the following:

37 (a) A person operating authorized emergency vehicles, as
38 defined in Section 165.

1 (b) A person engaged in the operation of either special
2 construction equipment or equipment for use in the maintenance
3 of any highway.

4 (c) A person engaged in the operation of refuse collection
5 equipment who is wearing a safety headset or safety earplugs.

6 (d) A person wearing personal hearing protectors in the form
7 of earplugs or molds that are specifically designed to attenuate
8 injurious noise levels. The plugs or molds shall be designed in a
9 manner so as to not inhibit the wearer's ability to hear a siren or
10 horn from an emergency vehicle or a horn from another motor
11 vehicle.

12 (e) A person using a prosthetic device that aids the hard of
13 hearing.

14 ~~SEC. 37. Section 40508 of the Vehicle Code is amended to~~
15 ~~read:~~

16 ~~40508. (a) A person who willfully violates his or her written~~
17 ~~promise to appear or a lawfully granted continuance of his or her~~
18 ~~promise to appear in court or before a person authorized to receive~~
19 ~~a deposit of bail is guilty of a misdemeanor regardless of the~~
20 ~~disposition of the charge upon which he or she was originally~~
21 ~~arrested.~~

22 ~~(b) A person who willfully fails to pay a lawfully imposed fine~~
23 ~~for a violation of a provision of this code or a local ordinance~~
24 ~~adopted pursuant to this code within the time authorized by the~~
25 ~~court and without lawful excuse having been presented to the court~~
26 ~~on or before the date the fine is due is guilty of a misdemeanor~~
27 ~~regardless of the full payment of the fine after that time.~~

28 ~~(c) A person who willfully fails to comply with a condition of~~
29 ~~a court order for a violation of this code, other than for failure to~~
30 ~~appear or failure to pay a fine, is guilty of a misdemeanor,~~
31 ~~regardless of his or her subsequent compliance with the order.~~

32 ~~(d) If a person convicted of an infraction under this code or a~~
33 ~~local ordinance adopted under this code fails to pay a fine or any~~
34 ~~installment thereof within the time authorized by the court, the~~
35 ~~court may, except as otherwise provided in this subdivision,~~
36 ~~impound the person's driver's license and order the person not to~~
37 ~~drive for a period not to exceed 30 days. Before returning the~~
38 ~~license to the person, the court shall endorse on the reverse side of~~
39 ~~the license that the person was ordered not to drive, the period for~~
40 ~~which that order was made, and the name of the court making the~~

1 ~~order. If a defendant with a class C or M driver's license satisfies~~
2 ~~the court that impounding his or her driver's license and ordering~~
3 ~~the defendant not to drive will affect his or her livelihood, the court~~
4 ~~shall order that the person limit his or her driving for a period not~~
5 ~~to exceed 30 days to driving that is essential in the court's~~
6 ~~determination to the person's employment, including the person's~~
7 ~~driving to and from his or her place of employment if other means~~
8 ~~of transportation are not reasonably available. The court shall~~
9 ~~provide for the endorsement of the limitation on the person's~~
10 ~~driver's license. The impounding of the license and ordering the~~
11 ~~person not to drive or the order limiting the person's driving does~~
12 ~~not constitute a suspension of the license, but a violation of the~~
13 ~~order constitutes contempt of court.~~

14 SEC. 38. No reimbursement is required by this act pursuant
15 to Section 6 of Article XIII B of the California Constitution for
16 certain costs that may be incurred by a local agency or school
17 district because in that regard this act creates a new crime or
18 infraction, eliminates a crime or infraction, or changes the penalty
19 for a crime or infraction, within the meaning of Section 17556 of
20 the Government Code, or changes the definition of a crime within
21 the meaning of Section 6 of Article XIII B of the California
22 Constitution.

23 However, notwithstanding Section 17610 of the Government
24 Code, if the Commission on State Mandates determines that this
25 act contains other costs mandated by the state, reimbursement to
26 local agencies and school districts for those costs shall be made
27 pursuant to Part 7 (commencing with Section 17500) of Division
28 4 of Title 2 of the Government Code. If the statewide cost of the
29 claim for reimbursement does not exceed one million dollars
30 (\$1,000,000), reimbursement shall be made from the State
31 Mandates Claims Fund.